

PART IV. EMPLOYMENT BENEFITS

FT-31
Air Force 3

Response Due: August 5, 1988

The generic definition of employee benefits is: 1) any kind of compensation in a form other than direct wages, and 2) paid in whole or in part by the employer.

The first question in this Part (Question 15) asks each agency to focus attention on why they provide employee benefits to their workers at all. It lists a number of purposes or objectives that employers might have with respect to providing a collection of benefits to employees over and above paying for the work they do, and it asks each agency to indicate which of the statements represent the reasons behind the agency's employment benefits.

The second question in this Part (Question 16) requests information on the particular employment benefits the agency provides for its workers. For Federal employees generally, there is a standard package of employment benefits, embracing paid leave, health insurance, life insurance, and retirement annuities. NAPA assumes that employees of the intelligence community receive the same package of benefits as other Federal employees, but asks whether there are points on which the benefits of these agencies differ from those of the other agencies of the Federal Government. If so, NAPA asks for some details about the points of difference.

The third question in this Part (Question 17) asks about benefits that may be available to agency employees beyond the standard packages, and the last question (Question 18) asks for an opinion about the adequacy of the current package of benefits.

NAPA requests that all agencies involved in the study respond to the questions in this Part of the inquiry.

Question 15. Purposes and Objectives of Employment Benefits:

Virtually all progressive, responsible employers provide to their employees a package of employment benefits above and beyond pay for work performed. When employers are asked why they do this, or what they expect to gain from it, they offer a variety of reasons. Some of the most prominent objectives of employers in providing benefits are listed below. Please consider the degree to which these statements represent the purposes of the agency in providing a package of employment benefits to employees and check off those statements that best describe the agency's objectives -- or, if none of the statements on the list is appropriate, provide a statement of the agency's objectives. (If the agency has already made a declaration of its objectives, purposes, or policies with respect to employment benefits, please send a copy.)

- ☒ 1. To promote the economic security of employees (and their families) in areas they could not provide for out of their earnings alone.
- ☒ 2. Because other employers provide benefits to their employees, the agency has to provide similar benefits in order to be competitive in the labor markets that supply the kinds of people the agency needs.
- ☒ 3. To comply with laws that require employers to provide certain benefits to employees, e.g. Medicare, Workmen's Compensation.
- ☒ 4. To cement the relationship between the agency and employees over time, to secure organizational loyalty and a long-term employment commitment, to make a "contract" between employer and employees.
- ☒ 5. To pool resources to protect employees from the financial impact of potentially catastrophic events (illness, disability, death) by sharing the risks and costs among a larger group.
- ☒ 6. To enable the workforce as a whole to cope collectively and cooperatively with events beyond the capacity of individual employees, both during their working years and after.
- ☒ 7. Social responsibility of the employer -- to keep employees from becoming a burden on the community, both during their working years and their retirement years.
- ☒ 8. To make it possible for employees to maintain in later life the standard of living they have achieved during their working years.
- ☐ 9. To enable older workers to leave the workforce, thereby making way for younger workers to move up the career ladder and also opening jobs at the intake levels for new workers with fresh views and recent training -- a process of continual renewal of the vitality of the workforce as a whole.
- ☐ 10. Other purposes: _____

Question 16. Employment Benefits: This question asks agencies to respond only if the catalogue of employment benefits they provide to their employees differs from the package provided to Federal employees generally, and, if so, to describe only the key differences.

Federal employees generally get periods of time off with full pay: annual leave, sick leave, time off on national holidays, military leave, jury duty leave, and administrative leave in the event of emergencies that make it impossible for workers to do any work, e.g., natural disasters, severe storms, or building shut-downs. If the agency's leave provisions differ from the rest of the Government, please describe the differences.

Federal employees are entitled to Workmen's Compensation, which provides for continuation of income during periods of disability related to injury on the job. If employees of the agency are not able to claim workmen's compensation, or if their benefits differ from other Federal employees, please describe the differences.

Through the Federal Employees Health Benefits Program (FEHB), Federal employees can obtain either health insurance or prepaid health care in a health maintenance organization, for the employee and dependents, with costs shared by the Government and the employee. Through Medicare, they can obtain health care support after age 65; and costs are shared by the Government and the employee. If the agency does not provide these benefits, or if the agency programs differ markedly from the Government norm (e.g., agency pays larger share of costs, or benefits exceed or fall short of those of other agencies), please describe the differences.

Through the Federal Employees Group Life Insurance Plan (FEBLI), Federal employees can obtain life insurance for themselves, including extra insurance for accidental death or dismemberment, and can also obtain life insurance for family members. If the agency's life insurance offerings differ from the plans for other Federal employees, please describe the differences.

Federal employees other than those enrolled in FERS may participate in the Thrift Savings Plan, with investment by the employee only and none by the Government. If this privilege is not available to the agency's employees, or if the agency's provisions for its employees are different, please indicate those facts.

RETIREMENT:

With respect to retirement plans, we request only that you affirm the points set forth below, or correct them if they are wrong:

- CIA employees may be covered by CSRS, FERS, FERS Special Category, or, in some cases, by CIARDS.
- NSA employees may be covered by CSRS or FERS.
- DIA employees, and employees of the military intelligence services may be covered by CSRS or FERS.
- FBI employees may be covered by CSRS or FERS.
- State Department employees in the Foreign Service are covered by the Foreign Service Retirement Plan, and those in the civil service may be covered by CSRS or FERS.
- Except for CIARDS, and for the FBI's law enforcement eligibility under CSRS or FERS, none of these retirement plan provides routinely for retirement at any age after 25 years of service, or at age 50 with 20 years of service. (Exception to this rule: in the event an agency is having a major reduction in force or a major reorganization, the agency may get permission from OPM to offer on a one-time basis early retirement to employees involved.)
- In addition to paying annuities to retired employees, all of these plans offer disability retirement in the event of injury or illness that makes it impossible for the employee to continue working, and all of them offer survivor's annuities for dependents after the death of the employee.

If any part of our understanding outlined above is in error, please provide correct information on that matter. (See attached comments)

Question 17. Other Employment Benefits: Some additional employment benefits are available to some Federal employees, in some agencies, in some locations, but are not necessarily part of the standard package available to all Federal employees. Please indicate whether the agency offers any of the following benefits, and if so, to what employees, where, and under what circumstances:

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Counseling for alcohol, drug, financial, social, or other problems of the employee or family that would otherwise disrupt work or the work place.

☒

Day care available for children, or for elderly dependents, with costs paid in part by the agency. (Civil Service employees are allowed to use Military Day Care Facilities on a space available basis)



Pre-retirement planning and counseling service.



Other benefits: _____

(See attached comments)

Question 18. Adequacy of Employment Benefits: This question asks for an opinion: Are the employment benefits now available to employees of the agency adequate or inadequate in terms of the special needs of the agency staff? Please elaborate on the response -- why do you say the benefits are adequate or inadequate, and what are the special needs of the agency staff?

(See attached comments)

Problems exist in the recruitment of outstanding engineers and other technical fields because private industry offers benefits similar to the government but at no cost to the employee (i.e., life insurance, health insurance).

Private industry and NSA can also pay for education including undergraduate and graduate degrees. This is starting to become a recruitment problem for all career fields including clerical.

The lack for "hiring" or "signing" bonus is a major problem since young college graduates often do not have any financial resources available to establish a residence, etc. This is a problem even when payment to first duty station has been authorized because of the high cost of getting a residence established. It is very difficult to compete since private industry offers "hiring bonus" and relocation expenses.

16. The following is offered to clarify the information under "Retirement" (fifth bullet):

The Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) provide for early retirement if the nature of the investigative duties pertaining to "law enforcement officers" meets the appropriate definitions. 5 Code of Federal Regulations (CFR) 831.902 (for CSRS) and 5 CFR 842.802 (for FERS) define qualifying responsibilities as either "primary duties" or as a "secondary position." CSRS employees whose duties qualify may retire at age 50 after completing 20 years service as a law enforcement officer or firefighter, or any combination of such service; a FERS employee may retire after completing any combination of service as a firefighter or law enforcement officer totaling 25 years; or after becoming age 50 and completing any combination of service as a firefighter or law enforcement officer totaling 20 years.

17. Air Force employees may either voluntarily seek or be referred for counseling and rehabilitation on alcohol and/or drug abuse related problems. Air Force Social Actions Offices are responsible for counseling the troubled employee or providing referral service to local rehabilitation centers.

Day care is available on a space available basis to all civilian employees on Air Force installations with day care facilities. Military members have priority for usage. Users pay operating costs.

The Air Force is reviewing the processing of retirement applications by both the civilian personnel and payroll offices. As a result, several initiatives are in development so that applications can be processed in an accurate and timely manner.

Current policy requires that the scope of preretirement counseling programs be locally determined to ensure that all employees have sufficient information concerning retirement systems. We have recently asked our installations to review their implementation of that policy to insure that those needs are being met.

18. Air Force is working on several initiatives to improve the benefits package for all employees to include greater availability of child care for civilian employees, and a comprehensive wellness program. Air Force also supports revision of the Federal Employees Health Benefits (FEHB) Program which over the years has experienced spiraling costs with a diminution in benefits. Group rates without agency contribution for alternative forms of life insurance and other forms of group insurance such as automobile are being explored. Air Force also has on its agenda a project to study the feasibility of a cafeteria-style benefits package.